

Message Text

CONFIDENTIAL

PAGE 01 LONDON 20496 201654Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-04 INR-07 L-03 ACDA-07
NSAE-00 PA-01 SS-15 PRS-01 SP-02 USIA-06 TRSE-00
SAJ-01 OMB-01 /061 W

----- 069223 /43

R 201549Z DEC 76
FM AMEMBASSY LONDON
TO SECSTATE WASHDC 8923
SECDEF
INFO USMISSION NATO BRUSSELS

C O N F I D E N T I A L LONDON 20496

E.O. 11652: XGDS-1
TAGS: MPOL, UK
SUBJECT: UK DEFENSE CUTS

REF: STATE 305758

1. IN WAKE OF RECENT UK ANNOUNCEMENT CONCERNING NEW DEFENSE CUTS, WE HAVE PRODDED A NUMBER OF SOURCES IN MOD SEEKING TO OBTAIN INDICATION OF WHERE THE CUTS ARE LIKELY TO FALL. OUR SOURCES INDICATE A GENUINE LACK OF SPECIFIC KNOWLEDGE IN MOD OF PRECISELY HOW MINISTRY INTENDS TO ABSORB THE NEW 100 MILLION POUND CUT -- DESPITE EARLY JANUARY TARGET DATE FOR 1977-78 DEFENSE BUDGET PREPARATION.

2. WHILE WE ARE UNABLE TO ELICIT SPECIFIC DETAILS, IT APPEARS THAT OUR FRIENDS ARE LOOKING AT THE WHOLE RANGE OF ONGOING PROGRAMS AND EXPENDITURES WITH AN EYE TO "CUTTING A LITTLE" ACROSS THE BOARD RATHER THAN HITTING A FEW PROGRAMS MORE DEEPLY. WE ARE ASSURED THAT THE 1977-78 CUT WILL NOT "PRODUCE ANY PARTICULARLY DRAMATIC NEWS" AND WE ARE TOLD THAT HMG DOES NOT INTEND TO CONSULT ALLIES ON THE IMPLEMENTATION OF THIS CUT BUT WILL
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 20496 201654Z

BE READY "TO DISCUSS IT IN DUE COURSE." WE BELIEVE THAT FOR THE 230 MILLION POUND CUT FOR 1978-79 THERE WILL BE AN OPPORTUNITY FOR CONSULTATION. WE ARE PROMISED DETAILS AS SOON AS THEY ARE AVAILABLE.

3. A NUMBER OF OFFICIALS HAVE HINTED THAT AS FAR AS

THE 1977-78 CUTS ARE CONCERNED MOD IS HOPEFUL THAT MUCH CAN BE DONE TO MEET THE TARGET THROUGH "MASSAGING THE ESTIMATES." THIS REFLECTS THE FACT THAT SO MUCH EXPENDITURE IS ALREADY COMMITTED THAT ROOM FOR MANEUVER IN TERMS OF REAL CUTS IS LIMITED.

4. COMMENT: WHILE MOD OFFICIALS MAY BE PERFECTLY SINCERE IN BELIEVING THAT 1977-78 CUT WILL ROT IN THE END BE ALL THAT SERIOUS, WE AGREE WITH USNATO THAT SOONER OR LATER THIS PROGRESSION OF DEFENSE CUTBACKS WILL BITE AND THE CUMULATIVE EFFECT WILL IMPACT SERIOUSLY ON UK DEFENSE CAPABILITIES. HMG CANNOT GO ON INDEFINITELY ASSURING ITS LEFT-WING CRITICS THAT DEFENSE IS TAKING ITS "FAIR SHARE" OF BUDGET CUTS WHILE AT THE SAME TIME ASSURING ITS NATO ALLIES IN CONFIDENCE THAT THROUGH SOME KIND OF ACCOUNTING RAZZLE-DAZZLE THE REDUCTIONS WILL BE "MASSAGED" AWAY.

5. WE ENDORSE THE LINE SUGGESTED IN USNATO 6901 AND KNOW THAT MULLEY IS ANXIOUS TO CONSULT ON THE PROPOSED 1978-79 CUTS.

SP-ERS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY EXPENDITURES, BUDGETS, MILITARY PLANS
Control Number: n/a
Copy: SINGLE
Draft Date: 20 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976LONDON20496
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X1
Errors: N/A
Film Number: D760467-0167
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761228/aaaaayij.tel
Line Count: 84
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 STATE 305758
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 06 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06 APR 2004 by ShawDG>; APPROVED <07 APR 2004 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UK DEFENSE CUTS
TAGS: MPOL, EFIN, UK
To: STATE DOD
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006